## REMARKS

The Office Action dated February 9, 2007 has been received and carefully reviewed. The preceding amendments and the following remarks form a full and complete response thereto.

Claims 4 and 5 have been amended, and claim 3 has been cancelled. No new matter has been added. Accordingly, claims 1-2 and 4-5 are currently pending in this application and are submitted for consideration. Additionally, we now disclose a non-patent reference and the Office Action, issued in unrelated application 07/701,379, in which it was cited. This relevance of this reference, "ASM Handbook: Vol 2" pages 850-861, will be apparent in view of the Office Action in which it was cited.

## Rejections Under 35 U.S.C. § 103

Claims 1-5 have been rejected under 35 U.S.C. § 103(a) as being obvious in light of Hauner, U.S. Patent No. 5,796,017. Hauner is generally directed to silver based contact material for use in switchgear for power engineering. A prima facie case of obviousness cannot be established unless all of the claim elements are taught or suggested by the cited references. See In re Royka, 490 F.2d 981, 984-85 (CCPA 1974); In re Glaug, 283 F.3d 1335, 1341-42 (Fed. Cir. 2002).

Claims 1 and 2, as amended, are not obvious in light of Hauner. Hauner teaches away from a contact material made of silver and iron oxide. Specifically, Hauner states:

The Table first shows an AgNi<sub>2</sub>0 contact material whose properties, both with respect to the bridge temperature and with respect to erosion are known to be good. <u>These values are made considerably worse in AgFe<sub>2</sub>O<sub>3</sub> contact materials containing only iron oxide as a substitute for nickel, in particular the maximum temperatures observed at individual switch bridges being unacceptably high. At the same time, a rise proportional to the oxide content is observed, whereas the erosion is reduced as</u>

expected. Col. 3, Ln. 59-67 (emphasis added).

Hauner's view of a contact material consisting solely of AgFe<sub>2</sub>O<sub>3</sub> does not translate into the current application. To the contrary, while Hauner views AgFe<sub>2</sub>O<sub>3</sub> as unacceptable, the current application views the properties of AgFe<sub>2</sub>O<sub>3</sub> as being acceptable when used in a sealed relay environment. One of ordinary skill in the art who followed the teachings of Hauner would be led away from using a contact element consisting essentially of "4.0 to 20.0 wt. % of an iron oxide and Ag as the balance." Therefore, claims 1 and 2 are not obvious in light of Hauner.

Claims 4 and 5, as amended, are also not obvious in light of Hauner. As the Office Action point out, Hauner does not teach using its contact material in a sealed relay. Thus, all of the claim limitations have not been shown, as is required in a 35 U.S.C. § 103 obviousness rejection.

In view of the foregoing, it is submitted that the present application is now in condition for allowance. Reconsideration and allowance of all pending claims are earnestly requested. The Director is authorized to charge any fees or overpayment to Deposit Account No. 02-2135.

If for any reason the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact, by telephone, the Applicants' undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

Respectfully submitted,

Date

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